

October 30, 2023

Dighton Special Town Meeting

Proposed Warrant Articles



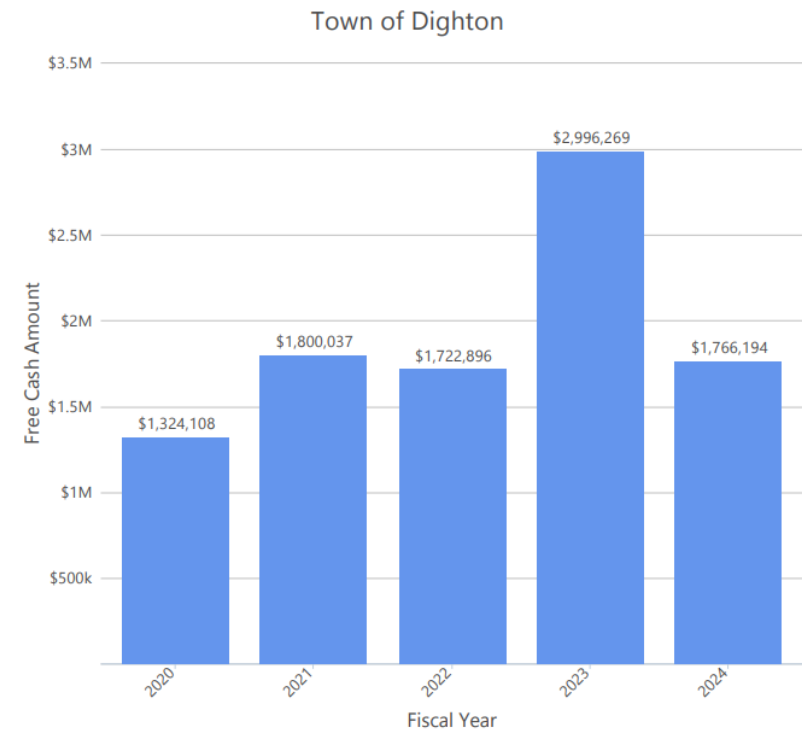
Funding Ability – Free Cash History

FY24 Certified Free Cash by Department of Revenue (DOR) was \$1.76 million; generally follows prior year trends.

- Initial conservative lower free cash certification projection based on question regarding how DOR would handle outstanding property tax liability from prior fiscal year and reconciliation of tax title land auction proceeds (\$100K) based on recent Supreme Court case
- Increases in one-time revenues and two months of health insurance premium holidays (\$300,000) and Police Department staffing changes in FY23 also contributed to higher-than-expected free cash certification
 - Targeted increases in FY24 revenue projections based on FY23 and prior year trends (i.e. motor vehicle excise, cannabis); one-time revenues included \$74K in Tax Penalties & Interest, \$100K in investment income based on Treasurer's reallocation of deposit portfolio with rising interest rate environment, \$120K in building permit revenue)
 - Targeted reduction in FY24 expenditures to meet FY23 spending trends (i.e. solid waste, veterans budget due to lower-census and reimbursement claims)
- Cautious approach to projecting future free cash certifications with targeted increase in FY24 revenue projections, decrease in FY24 expenditures, and no guarantee that one time offsets (i.e. health insurance premium holidays and building permit revenue will continue)



Data Analytics and Resources Bureau
Category 1 - Certified Free Cash
Data current as of 10/25/2023



Funding Articles - Financial Overview

- ✓ Strong priority on maintaining fiscal discipline and operational sustainability to limit taxpayer burden
- ✓ Excess tax capacity for Fiscal Year 2024, based on proposed Special Town Meeting Warrant Articles, estimated at approximately \$750,000
- ✓ Proposed uses of free cash to decrease the tax rate in the amount of \$250,000 and another \$46,000 by funding the FY23 Snow & Ice Deficit; continue funding Main Street roadway improvement project; meet debt obligations for fire engine and street sweeper lease/purchase agreements, establish Stabilization Funds for Cannabis and Opioid Settlement Funds, and fund annual commitment to OPEB Trust Fund
- ✓ Remaining \$739K free cash holdback aimed to supplement Stabilization balances and capital investments at June's Annual Town Meeting
- ✓ Articles shaped by Department, Finance Committee, Board of Selectmen and resident input

Article 1

To hear reports from Town officials



Article 2

Payment of Fiscal Year 2023 Unpaid Bills

- Payment of unpaid FY23 bills in the amount of \$4,587.75
- These bills include bills for police department vehicle repairs, a technology subscription service (terminated in FY24), uniforms, Assessor's training reimbursement, constable service for the Conversation Commission, and treasurer/collector's attorney invoices for tax title and land court actions

Finance Committee Recommends

Board of Selectmen Recommends

Article 3

Payment of \$106,146 Fire Engine Lease/Purchase Payment

- This article funds the required third year (of seven) lease/purchase payment of a new fire engine. The Fire Department expects to take delivery of the engine at end of November

Finance Committee Recommends

Board of Selectmen Recommends



Article 4

Funding of FY23 Snow & Ice Deficit - \$46,347

- This article would fund the FY23 snow and ice deficit from Free Cash before it would hit our tax rate recap and be included as raise and appropriate funding in our budget
- This represents the second year we would fund our snow and ice deficit in this manner, as, at this point, including it within our available levy capacity has the year-to-year ability of creating significant budget volatility. This also has the impact of reducing the annual tax rate

Finance Committee Recommends

Board of Selectmen Recommends

Article 5

\$50,561.92 for Highway Department Street Sweeper lease-purchase payment

- This article funds the required fifth and final lease/purchase payment of the Highway Department street sweeper

Finance Committee Recommends

Board of Selectmen Recommends

Article 6

\$90,000 for Non-Resident Student Vocational Tuition and Transportation Costs

- The Town, in September, learned and became aware that there is a Dighton student attending a Chapter 74 vocational school as a non-resident student; and it is not possible for the student to attend Bristol Aggie. As such, state law and DESE requires the Town of Dighton to fund the non-resident vocational tuition (\$25,000) and transportation (\$65,000) costs
- We typically approach and prioritize education-related funding through approved assessments for D-R, Bristol Aggie and B-P, which have typically (this fiscal year included) been the only line-items that comprise the education-related costs in the Town's operating budget.
- Given that the Town does not traditionally carry a line-item for these such required costs, such a warrant article is now being proposed. We now expect to need to fund the same cost in FY25 but not thereafter.

Finance Committee Recommends

Board of Selectmen Recommends



Jeffrey C. Riley
Commissioner

Massachusetts Department of Elementary and Secondary Education

75 Pleasant Street, Malden, Massachusetts 02148-4906

Telephone: (781) 338-3000
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October 3, 2023

Michael Mullen
Town Administrator
Town of Dighton
979 Somerset Avenue
Dighton, MA 02715

Dear Mr. Mullen:

I am writing in response to your email dated September 8, 2023 asking about Dighton's responsibility regarding a resident attending Norfolk County Agricultural School. You cited the statute (MGL C.74 § 8A) that states "A municipality, wherein a person resides who is admitted to a day school in another municipality under section 7, shall, through its school committee, when necessary, provide for the transportation of such person, and shall, subject to appropriation, be entitled to state reimbursement to the full extent of the amount so expended;..."

The department's interpretation of that statute has always been that for regional districts, like Dighton-Rehoboth, that the responsibility for both tuition and transportation falls to the town of residence as the Town of Dighton does not have a school committee. The Town of Dighton will also be receiving Chapter 70 aid while the child is attending the placement. In addition, the legislature provides some funding to reimburse cities, towns and districts that report expenses for transporting pupils to vocational programs outside their district.

Towns can ask their regional school district for assistance in arranging for the transportation services, but the monetary obligation for this service lies with the town.

I hope this answers your questions. If you have others, please don't hesitate to reach out.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay Sullivan".

Jay Sullivan
Associate Commissioner
District & School Finance

Article 7

\$300,000 in Continued Funding for Main Street Roadway Reconstruction Project

- As we know, securing funding for the ~\$2.5 million Main Street drainage and roadway improvement project remains a work in progress
- To date, the Town has committed \$850,000 towards the project, with an ARPA application and procurement process for the stormwater drainage improvements to soon begin
- This warrant article would increase the available funded balance for this project to \$1.15 million. This would allow us to continue to build up our funding capacity to phase-in the project as it is a challenge to provide complete project funding based on available funds

Finance Committee Recommends

Board of Selectmen Recommends



Article 8

\$40,000 for Increased Energy and Utility Costs

- This article proposes additional utility funds in the Town's annual operating budget due to what we now know will be a mid-year increase in electricity costs beginning in December from 10.4 cents/kWh to 15.784 cents/kWh
- This equates to an increase of \$34,116
- Also included in this Article is \$6,000 to fund an expected shortfall in our communications line (Comcast and Verizon) that we brought to the Selectmen's and Finance Committee's attention during the FY23 year-end transfer process

	National Grid Basic Service (If you leave the program)	Dighton Standard (Community Default)	Dighton Plus
Price	18.213 ¢/kWh - Residential 17.262 ¢/kWh - Small Business 21.450 ¢/kWh - Large Business*	15.784 ¢/kWh	17.372 ¢/kWh
Voluntary Renewable Energy	Meets the state required minimum	Meets the state required minimum	Adds voluntary renewable energy (MA Class I RECs) to total 100%
Duration	November 1 – July 31, 2023 *Large Business: November 1, 2023 – January 31, 2024	December 2023 – November 2025	December 2023 – November 2025

Finance Committee Recommends

Board of Selectmen Recommends

Article 9

Other Post-Employment Benefit (OPEB) Trust Fund

- The Town's Independent Auditors, Roselli, Clark & Associates, recommend that the Town of Dighton fund its OPEB Trust at an amount of at least \$125,000 each year to fund our unfunded liability for retiree health care and life insurance benefits
- The proposed funding in Article 9 seeks to continue the Town's commitment of fulfilling this obligation, which continues to strengthen the Town's financial position
- Of the \$125,000 in recommended funding, \$90,000 would be funded with a transfer from Free Cash, with the remaining \$35,000 already funded in the Town's operational budget

Finance Committee Recommends

Board of Selectmen Recommends

Article 10

\$250,000 to Lower the FY24 Tax Rate

- With the attention that has been continually placed on our fiscal position, we have also been extremely diligent, cautious and careful with regard to the impact that our fiscal position has on the Town's taxing (levy) capacity
- For the last 6 years, the Town has been able to utilize portions of available free cash to help reduce the tax rate (\$600K in FY23, \$380K in FY22, \$391K in FY21, etc.)
- While our ability to continue doing so is becoming more limited, the Board of Selectmen and Finance Committee, together with the Town's Financial Team, are proposing that we dedicate \$250,000 of certified free cash this year to move forward with an incremental approach to help minimize the impact of this shift on our residents

Finance Committee Recommends

Board of Selectmen Recommends

Article 11

Funding for 5-Year Certification Revaluations for Aquaria LLC and Dighton Power LLC

- This article proposes \$28K in funds to complete the five-year certification revaluations for two of Dighton's largest taxpayers, Aquaria LLC and Dighton Power LLC, in advance of Fiscal Year 2025
- This is a requirement of the Department of Revenue

Finance Committee Recommends

Board of Selectmen Recommends



Article 12

\$15,000 for Highway Department Bucket Truck Repairs

- This article funds needed repairs at a cost of \$15,000 to replace the continuous rotary joint in the Highway Department's recently purchased 2011 Ford Bucket Truck
- The truck has been a significant added benefit to the Highway Department and the Town, especially in addressing deteriorating branch and tree issues.
- These needed repairs would allow the Highway Department to bring the truck fully back into service.

Finance Committee Recommends

Board of Selectmen Recommends

Articles 13, 14, 15

Establishment of a Cannabis Stabilization Fund & Effective Date

- Article 13 proposes to create a new Cannabis Stabilization Fund. With ever-present attention on how towns account for and expend HCA fees, a Cannabis Stabilization Fund for this purpose will allow Dighton to establish a clear accounting and tracking system for HCA-related revenues and Town Meeting-approved expenditures. This has become a best practice in Massachusetts communities
- If Article 13 is adopted, Article 14 would specify the effective date of the revenues being deposited to the Cannabis Stabilization Fund as July 1, 2023
- If Article 13 is adopted, Article 15 would deposit approximately \$36,000 in FY23 revenues and future revenues into the Cannabis Stabilization Fund from Host Community Agreement (HCA) fees
- Additional summary information on Articles 13, 14 and 15 can be found at: [Proposed-Opioid-Settlement-and-Cannabis-Stabilization-Funds-Informational-Overview \(dighton-ma.gov\)](https://dighton-ma.gov/Proposed-Opioid-Settlement-and-Cannabis-Stabilization-Funds-Informational-Overview)

Board of Selectmen Recommends

Finance Committee Recommends

Articles 16 and 17

Establish and Appropriate Into Opioid Stabilization Fund

- The Department of Revenue is requiring communities to establish Stabilization Funds in which Opioid Settlement Funds need to be deposited. Article 16 would establish an Opioid Stabilization Fund
- Additional summary information on Articles 16 can be found at: [Proposed-Opioid-Settlement-and-Cannabis-Stabilization-Funds-Informational-Overview \(dighton-ma.gov\)](https://dighton-ma.gov/Proposed-Opioid-Settlement-and-Cannabis-Stabilization-Funds-Informational-Overview)
- If Article 16 is adopted, Article 17 would transfer \$10,114.89 in Opioid Settlement funding received to date into the Stabilization Fund.

Finance Committee Recommends

Board of Selectmen Recommends

Article 18

Planning Board Proposed Changes to Site Plan Review Process

- Section 5420: correct the submittal of application count from five to six, as well as, provide an electronic format, add Peer Review Engineer to the list of copies distributed and replace shall with may on the issuance of a building permit
- Section 5441: Replace the specific scale measurement language to a standard scale
- Section 5442: Replace the word shall with may
- Section 5445: Replace DIS with Development Impact Statement and correct the referenced Section 5300 to 5340
- Section 5460: Replace the word “and” with “or” on determining what constitutes a Minor Site Plan
- Italic all words within the section that are defined in Section VI. Definitions

Planning Board Recommends

Article 19

Planning Board Proposed Changes to Solar Electric Generating Facilities Bylaw

- Section 4659. a. II Side Yard: increase the depth from 75 feet to 100 feet, and increase from 100 feet to 200 feet from any dwelling on another parcel and remove the “or any accessory structure to the dwelling” language
- Section 4659. a. III Rear Yard: increase the depth from 75 feet to 100 feet, and increase from 100 feet to 200 feet from any dwelling on another parcel and remove the “or any accessory structure to the dwelling” language
- Section 4659. A. IV Buffers: increase the buffer from 30 feet to 50 feet
- Italic all words within the section that are defined in Section VI. Definitions

Planning Board Recommends

Article 20

Proposed Budget Bylaw

- The proposed Budget Bylaw comes as the Board of Selectmen and the Town's Financial Team continue working to prioritize and implement recommendations offered by the state Department of Revenue (DOR)/Division of Local Services in the Financial Management Review completed for the Town of Dighton and finalized in April 2022.
- The proposed Bylaw seeks to define the components of the Town's annual budget development process.

Board of Selectmen Recommends



Article 21

Amendments to Town Bylaws

- This proposed addition to the Town's General Bylaws would specify that proposed amendments to the Town's General Bylaws shall only be decided by Town Meeting by no less than a two-thirds vote



Board of Selectmen Recommends

Article 22

Finance Committee Appointment Authority Bylaw Amendment

- This proposed amendment to the Town of Dighton General Bylaws would designate the Town Moderator to be the appointing authority for all Finance Committee members
- Currently the Moderator can appoint Finance Committee Members at the end of the Annual Town Meeting, but the Finance Committee has the ability to fill mid-year vacancies



Board of Selectmen Recommends

Article 23

Any other business?

THANK YOU!

Michael Mullen, Jr.

Town Administrator

mmullen@dighton-ma.gov